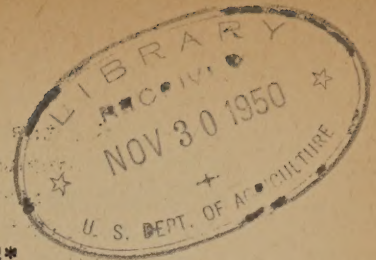


UNITED STATES DEPARTMENT OF AGRICULTURE  
Extension Service  
Washington 25, D. C.



MARKETING CHALLENGES THE EXTENSION SERVICE\*

Extension recognizes its responsibility for a complete and balanced educational program in marketing and distribution. In order to bring about the greatest efficiency in the production, distribution, and utilization of farm products, the present educational program in marketing will have to be greatly expanded.

Extension's objective in this field is to raise the level of efficiency with which farm products are distributed from farm to consumer. This objective is threefold:

1. To aid farmers in understanding the demands of the market and in adapting their production and marketing procedures to these demands.
2. To aid processors and distributors in becoming better informed concerning market conditions, and more efficient in performing their services to the end that farm products may move more smoothly through the distribution channels, with less waste, less decline in quality, and at lower costs, thus benefiting producers, handlers, and consumers.
3. To aid consumers in becoming more discriminating and more skillful in buying and using farm products.

Educational work with the farmer on his farm and with farmers' organizations cannot go the whole way in solving agriculture's marketing problems. Effective distribution and merchandising of farm products requires skill and efficiency throughout the channels of distribution. Proper utilization of these goods requires discriminating and informed consumers. If Extension is to bring about large-scale improvement in agricultural marketing and distribution, its work must be greatly expanded and intensified among those groups that handle the farmer's produce or use it -- such as processors, wholesalers, retailers, and consumers.

The magnitude of the task to be done is suggested by the large numbers of people in the three groups to be reached -- about 6 million producers, around 2 million handlers and operators who perform various

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\* A statement prepared by a committee of State directors of extension and deans of agriculture, Chicago, Illinois, October 9-10, 1950. The committee comprised representatives from Indiana, Maryland, Massachusetts, Michigan, Minnesota, Montana, New Hampshire, New Mexico, New York, Oklahoma, Tennessee, Utah, and West Virginia



services in the channels of trade getting farm products from producers to consumers, and more than 150 million men, women, and children who are the ultimate users of these products in this country. These consumers represent 41 million families who are in the market almost daily.

In periods of national emergency such as we now are experiencing, a broad, aggressive program of marketing education is needed even more than in normal times. Inefficiencies and wastes become less tolerable. Good consumer buymanship, effective utilization of resources, and good human nutrition take on greater significance. Military mobilization and labor shifts increase the employee turnover rate in processing and distributive agencies. Merchants for example, are faced with unusual problems of training personnel replacements, compliance with new and unfamiliar regulations, and disruption of normal sources of supply.

#### EXTENSION'S FITNESS TO DO THIS JOB

There are several reasons why the Extension Service is qualified to do this job:

1. It is a going organization whose business is education. It is the educational arm of the U. S. Department of Agriculture. It is the agency of the land-grant colleges that deals with non-resident work in agriculture and home economics. It carries the prestige of experience, achievement, and association with the land-grant college system.
2. It is a widespread organization. It has personnel in all States, and county and home agents in all agricultural counties. It enjoys the help and participation of many thousands of lay leaders.
3. Its organization is permanent; its programs are continuous.
4. It has contacts and acquaintance with handlers and users of farm products everywhere, not with producers alone.
5. It has most of the required talents readily available -- economists, nutritionists, home economists, production specialists, plant and animal scientists, engineers, and other specialists. Additional leaders with the background required to work with wholesalers, retailers, and other handlers can be employed and trained as the program grows.
6. It has excellent facilities for distributing information and making use of the findings of research. It depends upon a continuing and growing program of research in marketing, and it aids research agencies in selecting problems that require investigation.



7. Its 4-H programs are firmly established, and these lend themselves readily to the training of youth in marketing, distribution, and buymanship.
8. Its widespread work with producers has been supplemented in varying degrees in the States by work with handlers and consumers, and has demonstrated that Extension can effectively carry on programs of this kind.

#### RESPONSIBILITIES OF STATE EXTENSION SERVICES AND THE FEDERAL EXTENSION SERVICE

All aspects of the program that can be handled efficiently within a given State should be the responsibility of that State. Problems of a broader scope might be worked out cooperatively between States concerned; between States and the Federal Extension Service; and, in some cases, be the responsibility of the Federal Extension Service.

Work with certain groups such as producers, retailers, and consumers can be carried on efficiently in local areas, since the members of these groups are numerous. This would be handled under State set-up more efficiently than by central operation. There are certain functions in marketing which have wide ramifications geographically, and which are highly specialized, that could best be done under direct Federal Extension supervision. In developing and carrying out this broad marketing program, the Federal Cooperative Extension Service should furnish leadership in its highest sense.

Particularly in the States having the larger Extension marketing programs, consideration should be given to a special office and staff at the State level that will assemble data on prices, market movements, and surplus products, and supply this information to the various categories of marketing specialists and to district and county agents in keeping with their special needs. Much of this work might logically be done in cooperation with research workers.

Supervision of Extension marketing work under the expanded program will be a problem. In States having the larger marketing programs and staffs, special supervision would seem a necessity. One person, with high rank in the administrative organization, will probably be required to develop, supervise, and coordinate all the marketing work for the State director. Such a person will need to be broadly qualified and fully sympathetic with all phases of the marketing program.

The Federal Extension Service functions in three areas of responsibility (administrative, service, and operational). The broader program here proposed will enlarge these responsibilities.

##### 1. Administrative.

- a. Over-all fiscal and legal matters connected with the program.
- b. Cooperation and liaison with other agencies. Examples: Agricultural Research Administration, Production and



Marketing Administration, Bureau of Agricultural Economics, Farm Credit Administration.

- c. Cooperation directly with State Extension Services on State programs.
- d. Correlating and expediting extension work on problems that cross State lines.

## 2. Service.

- a. Keeping up with research work, including assembling, analyzing, and organizing research material, in terms of needs of various groups such as consumers, retailers, processors, wholesalers, producers, and transportation organizations, and getting such material to State workers.
- b. Preparation and distribution of materials that have Nation-wide application, such as leaflets and visual aids.
- c. Assisting States in program development, by --
  - (1) Knowing what is being done in all States and assisting the individual States in applying that experience to their problems.
  - (2) Bringing to States the background information that is necessary in the development and conduct of State programs.
  - (3) Assisting States in organizing and planning State programs that contribute to the solution of problems of a regional nature, including liaison with regional and national trade groups.

## 3. Operational.

- a. Conducting the work on national projects. Many marketing problems are national in scope and involve relatively few concerns. (One example of this is the meat-packing business, with relatively few plants in the United States). A specialist working in a field of this type should operate on a national basis and be a part of the Federal Extension office.
- b. Helping to organize and carry on regional projects. Regional projects, to be successful, require close operational contact with both the Federal office and the cooperating States.

The development of a consumer information program can be used as an illustration of the type of leadership and service that should be provided by the Federal office. To discharge this responsibility, it is desirable that provision be made for --

- 1. Over-all leadership of the consumer information program.
- 2. Specialists who can assist in the fullest use of television, press, radio, and the like.



3. Additional staff members who can assemble and make available the type and form of information needed by the States to conduct the program.

In order to carry out this leadership responsibility effectively, cooperation and active support by all States for discharging this responsibility is needed.

## REGIONAL PROJECTS

### Principles Involved in Regional Projects.

Marketing farm products involves many steps and many people. Often this results in a circumstance where the marketing problems extend beyond the State where the product is produced and out of reach of the State marketing specialists. Here, it would be helpful to have a worker in position to follow the commodity as it moves across State lines. The nature of the problem or the area involved will determine the participating States in a regional project. Hogs produced in Indiana and sold in New York and Massachusetts illustrate a regional marketing situation. Hard wheat marketing problems are another illustration.

### Administration and Operation of Regional Projects

A supervisory board composed of State extension directors in the region can assist in developing the marketing program. An advisory committee composed of representatives from Extension, other agencies, and the trade can help the project supervisor in developing detailed plans for handling the work. This committee can also assist in reporting on progress in the marketing work to the interested groups.

### Financing Regional Projects

Adequate financing of regional projects is essential in order that the work may be conducted on a scale commensurate with the problem. Considering the nature of regional marketing problems, it appears that Federal financing of regional projects may be necessary for the most part because of limitations on use of State funds. Proportionate financing is appropriate if this can be worked out. Contributions by other agencies or interested trade groups are very desirable, in order that more educational work may be done. Schools and trade organizations may be interested in participating in their educational work, and often can share in the operating costs.

### Cooperation With Other Workers and Other Groups

Each regional worker must develop his work in cooperation with State extension workers and keep them informed on progress and problems. Reports to meetings of extension directors are desirable. His work will involve cooperation with trade groups and with representatives of research, service and regulatory agencies. Extension wants to do a creditable job of education, but should not itself engage in service, regulatory, or research work.



## RECOMMENDATIONS

The committee has considered the organization, programs, funds, and training of personnel needed to do the marketing job on this larger scale, and makes the following recommendations concerning them:

### Consumer Education

1. We recommend the employment of a minimum of one consumer education specialist on each State staff, this person to work closely with the nutritionist, other specialists in related fields, and the agents.
2. Organization beyond this will be determined by the number and size of cities and other considerations varying within States and between States.
3. In very large urban areas which are distributing centers for several States, special organization will be required and the program probably cannot be financed on a regular matching fund basis. In such cities, it is proposed that consideration be given to contractual financing such as is now being done in New York City, Kansas City, and elsewhere.
4. A budget of \$1,000,000 (from Federal, State, and local sources) should be provided for this phase by fiscal year 1953, with increments of \$500,000 annually for each of the succeeding 4 years. This envisions a total budget of \$3,000,000 for the consumer education phase by fiscal year 1957. Such additional financial support as seems necessary and desirable after 1957 can be better judged at a later time.
5. Ideally, persons employed for these positions should be well trained in consumer economics, home management, and nutrition.

### Distributor Education

We define distributor education as dealing with the product from the time it leaves the producers until it goes through the retail store into the hands of the consumers.

1. We recommend a minimum of one person on each State staff who is a specialist in this field. Such an individual would necessarily work largely with trade groups, but to the extent feasible, would coordinate his work with that of local agents.
2. Such a specialist should have training preferably in business administration, with practical experience in the wholesale and retail fields. He should not necessarily be required to have an agricultural background.



3. In the larger metropolitan areas, personnel will need to be employed and organized to fit the local situation. It may be necessary to have groups of commodity specialists in these larger areas.
4. Somewhat related activities are being carried on by the Office of Education, Federal Security Agency, and the Department of Commerce. It is important that the Extension education program be developed so that it will be correlated with these activities.
5. A budget of \$1,000,000 should be provided for this phase by fiscal year 1953, with increments of \$500,000 for each of the succeeding 4 years. Such further financial support as seems warranted after 1957 can be better judged at a later time.

#### Producer Education

1. In producer education, we need to build on and strengthen our present or more orthodox extension marketing work. Many areas and commodities are not now receiving adequate attention. Marketing specialists or district agents for each of the more important commodities will need to be employed at the State level, or even at the concentrated producing-area level within the State. Special attention needs to be given to coordinating their work with that of workers in the production, consumption, and distribution fields.
2. Greater care than in the past needs to be given to selection and training of such personnel. Satisfactory results cannot be expected from personnel not specifically trained in marketing.
3. It is estimated that approximately \$700,000 is being spent on this phase the present fiscal year. Although there is need to greatly expand this phase, it seems practicable to recommend that the funds be increased to \$1,000,000 by fiscal year 1953, and that annual increments of \$250,000 be made until this phase of the program ultimately reaches at least \$5,000,000 in terms of 1950 levels of salary and purchasing power.

#### Special Training of Marketing Workers.

Well-trained workers are essential to the successful operation of a comprehensive marketing program.

This may call for additional training for the specific work to be done. An understanding of both educational methods and subject matter is essential. It is recognized that marketing work may require special



training and special qualifications, but extension workers show great adaptability. The fact that many extension workers have been taken by trade and industry demonstrates that these people do have the training and experience fitting them for work with trade groups. Some changes may be needed in college curricula in agriculture, home economics, and public and business administration, to better prepare workers for this field. Pre-induction and on-the-job training also will be needed.

In view of the rapidity with which this program is expanding and the number of new personnel that will be needed from time to time, we recommend that regional workshops for all Extension marketing people be held in 1951, and consideration be given to similar workshops or training schools each year until the program becomes well established.

Support and Cooperation of Land Grant Colleges and RMA  
Advisory Committees.

If Extension is to do a thorough educational job affecting all of these groups involved in the marketing process, it must have the unreserved support of the Association of Land Grant Colleges and Universities, and the U. S. Department of Agriculture. Neither the research nor Extension programs in marketing can be developed to the levels here suggested unless the Land Grant College Presidents, Deans, and Directors have a vision of its importance and possibilities, and will give it their support.

Likewise, the several RMA Advisory Committees are in position to be extremely helpful. They can aid in guiding the development of Extension's broader program in marketing and can give it a great deal of encouragement and support. It is, therefore, recommended that the State Extension Directors contact and discuss the importance of educational work in marketing with each of the Advisory Committee members in their respective States.

It is recommended that a copy of this report be transmitted promptly to each State director of extension and to each member of the Research and Marketing Act Advisory Committees.



ATTENDANCE

Extension Conference on Marketing  
Congress Hotel, Chicago, Illinois  
October 9-10, 1950

State Colleges - Deans and Directors of Extension:

Indiana -	L. E. Hoffman, Associate Director
Maryland -	P. E. Nystrom, Associate Director
Massachusetts -	W. A. Munson, Director
Michigan -	C. V. Ballard, Assistant Dean and Director of Extension
Minnesota -	Skuli Rutford, Acting Director
Montana -	R. B. Tootell, Director
New Hampshire -	L. A. Bevan, Director
New Mexico -	G. L. Boykin, Associate Director
New York -	L. R. Simons, Director
Oklahoma -	Shawnee Brown, Director
Tennessee -	J. H. McLeod, Dean and Director
Utah -	G. A. Carpenter, Assistant Director for County Services
West Virginia -	H. R. Varney, Dean

Federal Extension Service:

M. L. Wilson, Director of Extension Work				
H. M. Dixon, Chief, Division of Agricultural Economics				
Willis Combs, Division of Agricultural Economics				
C. W. Hauck,	"	"	"	"
E. A. Johnson,	"	"	"	"
L. R. Paramore,	"	"	"	"
L. M. Schruben,	"	"	"	"

Others:

D. Howard Doane, Doane Agricultural Service  
Omer W. Herrmann, Assistant Administrator, Agricultural  
Research Administration, USDA  
Barnard Joy, Extension and Action Program Relations,  
Agricultural Research Administration, USDA.



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Exhibition of the  
Geological Survey

Section 1. The  
Geological Survey  
of the United States  
has been organized  
for the purpose of  
exploring the  
resources of the  
country and  
for the purpose of  
conducting  
scientific research  
into the geology  
of the United States.

Section 2.

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